

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

November 18, 1991

Mr. T. M. Tilley American Gilsonite Company Bonanza, Utah 84008

Dear Mr. Tilley:

Re: Notice of Intent to Conduct Exploration, American Gilsonite Company (AGC), Bonanza Operations, M/047/010, Uintah County, Utah

Thank you for your exploration notice information for trenching and drilling operations located in the SW 1/4 of Section 15, T9S, R24E, SLB&M, Uintah County, Utah. The Division has also received approval notice from State Lands and Forestry that a \$10,000 bond is in place to cover this exploration work which is located on ML 31934.

This project will take place near mine site I-15 on land currently described within AGC's Mining and Reclamation Plan. Although no official Exploration Notice of Intent is required, the Division does request information regarding any exploration activities within mine permit boundaries. No additional information is required by the Division at this time and the project may proceed without delay. Please keep us apprised of the status of this project, including any plans for reclamation of your exploration activities.

The Division is presently evaluating the reclamation bond for AGC's operations. The bond currently held by State Lands and Forestry is for reclamation of exploration disturbances and, therefore, will not be applied as a reduction to the Division's reclamation cost estimate for the Bonanza operations. We will be sending the updated reclamation cost estimate to you in the near future.

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If you have any questions please contact me or Wayne Hedberg. Thank you for your cooperation.

Sincerely

Anthony A. Gallegos Reclamation Engineer

jb cc: John Blake, State Lands & Forestry M047010.1



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DIVISION OF STATE LANDS AND FORESTRY

355 West North Temple Dee C. Hansen 3 Triad Center, Suite 400 **Executive Director** Salt Lake City, Utah 84180-1204 Richard J. Mitchell 801-538-5508 Division Director

DIVISION OF OIL GAS & MINING

November 15, 1991

FAX No. 801-789-9596

American Gilsonite Co. Bonanza, UT 84008

Gentlemen:

RE: ML 31934--Gilsonite

You may proceed with the drilling program upon this lease as outlined in your letter of November 5, 1991, providing that you first obtain clearance with Division of Oil, Gas, and Mining.

The Division holds C.D. No. 2-937174-7 in the amount of \$10,000 as reclamation bond.

Please mark the location of each drillsite on a USGS topographic map and send this map to me at the conclusion of drilling.

Sincerely,

JOHN T. BLAKE

MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Wayne Hedberg, Division of Oil, Gas, and Mining